

# 14. HALF FARE

## BASIC REQUIREMENT

During non-peak hours for fixed route service supported with Section 5307 assistance, fares charged elderly persons, persons with disabilities or an individual presenting a Medicare card will not be more than half the peak hour fare.

## AREAS TO BE EXAMINED

1. *Half Fare During Non-Peak Hours*
2. *Half Fare for Persons with a Medicare Card*

3. *Subrecipient, Contractor and Lessee Oversight*

## REFERENCES

1. [49 USC Chapter 53](#), Federal Transit Laws
2. [49 CFR Part 609](#), "Transportation for Elderly and Handicapped Persons"
3. [FTA Circular 9030.1C](#), "Urbanized Area Formula Program: Grant Application Instructions"

## QUESTIONS FOR THE REVIEW

1. *Does the grantee allow elderly persons, persons with disabilities, and persons with a Medicare card to pay, during the off peak hours, one half the fare generally paid during the peak hours?*
2. *What is the grantee's full fare? What is the half fare? During what hours are half fares available (all hours or off-peak hours only)? Are there any fixed route services not included in the half fare program?*

### EXPLANATION

For fixed route service funded with Section 5307 assistance, grantees must allow 1) elderly persons, 2) persons with disabilities, and 3) Medicare cardholders to ride fixed route services during off peak hours for a fare that is not more than one half the base fare charged other persons during the peak hours. The requirement applies to base fares. Though many do, grantees are not required to offer half fares on payment options such as monthly passes. If there are services such as neighborhood circulator and shuttle services with fares that are different from the grantee's fare for its regular local service, separate half fares are needed for each type of service.

The requirement is applicable to:

- All fixed route services (including route deviation services and service to sporting events) that operate in both peak and off peak hours and use or involve facilities and equipment financed with Section 5307 funds, whether the services are provided by the grantee directly, by a contractor, by a subrecipient, or by another entity that leases facilities and/or equipment from the grantee
- Any express and commuter service that operates beyond peak hours
- Fixed route services for which the grantee has not defined peak hours

This requirement is not applicable to:

- Demand responsive services
- Services that operate only during peak hours, such as express and commuter routes
- Services that operate only in the off-peak hours (e.g., lunchtime circulators and weekend routes to sporting events)
- Services funded with other FTA assistance that do not use Section 5307 funded equipment or

not operated out of Section 5307 funded facilities

"Elderly" by FTA regulations is to "at a minimum, include all persons 65 years of age or over." Grantees are permitted to use a definition that extends this fare to younger (e.g., 62 and over) persons. Persons with disabilities are defined by FTA as persons "who by reason of illness, injury, age, congenital malfunction, or other incapacity or temporary or permanent disability (including any individual who is a wheelchair user or has semi-ambulatory capabilities), cannot use effectively, without special facilities, planning, or design, mass transportation service or a mass transportation facility."

The definition of Medicare cardholder is self-explanatory. This is a distinct half fare requirement, though many grantees choose to use a Medicare card as proof of eligibility for the elderly and persons with disabilities half fare (see questions and discussion below). Though most Medicare cardholders are elderly (age 65 or older), a Medicare card can be issued to anyone under 65 years of age who has received Social Security or Railroad Retirement Board disability benefits for 24 months or is a kidney dialysis or kidney transplant patient.

The grantee determines its peak hours. Peak hours can be seasonal. If the grantee determines it is not large enough, or demand is not strong enough, to identify or justify peak hour service, then its entire service should be defined as "off-peak." In this instance, the grantee has two options:

- Review ridership data and determine the peak ridership hours and develop a policy for half fare, or
- Choose not to determine a peak period and offer half fares during all hours.

### REFERENCE

[49 USC Chapter 53](#), Section 5307 (d)(1)(D)  
[49 CFR 609.23](#)  
[FTA C 9030.1C](#), Ch. V, Sections 5.f and 5.g

### SOURCES OF INFORMATION

The reviewer will examine the grantee's general public information that presents its fare structure. Common examples are the system map, pocket timetables, signs within the system (e.g., decals on fareboxes, signs in stations, and car cards on vehicles) and the website. Other sources are brochures describing the fare structure and the reduced fare program, and application forms for the reduced fare program or special ID cards. Documents

such as fare policies/tariffs and internal policy memoranda may describe the program.

If the grantee limits half fares to off peak hours, the reviewer will verify that the definition of “off peak” is reasonable. For example, if the grantee has both peak and off peak fares in its overall fare structure, the off peak time periods for the general public and the half fare program should be defined consistently. The times should be consistent with the hours reported to NTD. The review will ensure that the grantee has not limited acceptance of a Medicare card to seniors only.

#### **DETERMINATION**

If the grantee charges more than one half the peak hour fare during off peak hours, the grantee is deficient.

If the grantee does not provide a half fare for a service that should be included, the grantee is deficient.

#### **SUGGESTED CORRECTIVE ACTION**

If the grantee does not have a half fare program during non-peak hours on all of its applicable services, the grantee will be directed to implement a program or ensure that such a program is implemented and submit documentation to the FTA regional office. If the fare is more than one half the full fare, the grantee will be directed to provide a plan and schedule for correcting its half fare program to the FTA regional office.

3. *Is an identification card required at time of boarding in order to obtain the half fare? If yes, what type of card is accepted onboard? What are the procedures to obtain the special ID card? Does the grantee require any additional information from a Medicare cardholder?*

#### **EXPLANATION**

The half fare program, as applied, may require passengers to show proof of eligibility when they pay their fare in order to receive the half fare. The reviewer should identify the types of identification that are accepted (e.g., Medicare card, special identification card, ADA eligibility card). All are permissible. The grantee may require more than one piece of identification for determining age or disability-related qualifications.

A grantee may require passengers to obtain a special identification card as the sole basis for paying the half fare. A valid Medicare card must be considered

sufficient proof of eligibility for obtaining such a reduced fare card.

In order to ensure that the person presenting a Medicare card is the authorized individual, the grantee may request proof of identity (i.e., another card with a photograph). There is no specific prohibition against this, provided the grantee is not asking for further proof of eligibility from the Medicare cardholder but is only checking the validity of the Medicare card.

Obtaining a special half fare card must be relatively easy. For example, requiring individuals to travel to a single office, which may be inconveniently located, is not consistent with the intent of this requirement, though not strictly prohibited.

#### **REFERENCE**

49 USC Chapter 53, Section 5307 (d)(1)(D)  
49 CFR 609.23  
FTA C 9030.1C, Ch. V, Sections 5.f and 5.g

#### **SOURCES OF INFORMATION**

The reviewer will examine public informational materials (described above) and application materials for special identification cards for a description of the process and the identification necessary to qualify for half fare. The reviewer also will discuss the application procedures with the grantee to ascertain if the program is implemented properly.

#### **DETERMINATION**

If the location(s) for obtaining a special card are not accessible by transit, open during convenient hours, and publicized, the grantee's program is deficient.

If a Medicare card is not accepted as the basis for payment of half fare or as a means to obtain a special identification card, the grantee is deficient. If the grantee requires more than a Medicare card as proof of eligibility for half fares, it is deficient.

#### **SUGGESTED CORRECTIVE ACTION**

The grantee will be directed to make passengers aware of any need for a special identification card, and enable identification cards to be easily obtained. The grantee will be directed to accept a Medicare card as proof of eligibility for the half fare program. The grantee will need to submit documentation of corrective action(s) to the FTA regional office.

4. *How has the grantee informed its employees, subrecipients, contractors and lessees, and the public that half fares are available? Do internal and external materials describing fares show half fares and eligibility?*

## EXPLANATION

A policy is not effective unless it is communicated to those who will carry it out and to those who can take advantage of it. Training documents and communication with drivers and others responsible for implementing the fare program should demonstrate that the grantee has notified the staff of the program and included the correct information. Public information should include half fare information, including Medicare eligibility, if it contains fare information. For example, if a brochure says the fare to ride the bus is \$1.00, it also should say that the fare for elderly persons, persons with disabilities, and Medicare cardholders is \$0.50 during off-peak hours.

Though it is not necessary to have a separate fare category for Medicare cardholders, the grantee's readily available public information should be clear that Medicare cards are accepted as proof of eligibility for the half fare program, including for persons who are not elderly.

## REFERENCE

[49 USC Chapter 53](#), Section 5307(d)(1)(D)  
[49 CFR 609.23](#)  
[FTA C 9030.1C](#), Ch. V, Sections 5.f and 5.g

## SOURCES OF INFORMATION

The reviewer will examine both internal and public information. The reviewer will also examine training documents and communication with drivers (e.g., driver bulletins) and others responsible for implementing the fare program as well as system maps, route timetables, and general system fare brochures. The reviewer will check other common public information items, such as the website, station signs and farebox decals to see whether they include fare information and, if so, that they include the proper information for half fares.

## DETERMINATION

If internal or public information regarding half fares is incomplete or does not include half fare information, the grantee is deficient.

If some half fare information is included, but Medicare eligibility is not mentioned, the grantee is deficient.

## SUGGESTED CORRECTIVE ACTION

The grantee will be directed to make complete information on the half fare program available where fare information is presented. Information must be provided on the fares for elderly persons and persons with disabilities and on the availability of those fares to Medicare cardholders. If any of this information has been omitted from the grantee's readily available public information items (e.g., maps and timetables,

or website), the grantee must revise the text the next time these materials are reprinted/updated. If materials for drivers and other operating personnel do not convey the current program requirements, the grantee must update and redistribute the materials.

If the grantee is planning to republish the item that needs correcting, the reviewer will discuss with the grantee a schedule for completing the corrective action. Grantees may be given up to 365 days to complete these changes. In the interim, an assurance that the changes will be made along with sample text of these changes may be requested.

## 5. *How does the grantee ensure that subrecipients, contractors and lessees comply with half fare requirements?*

## EXPLANATION

The grantee is responsible for ensuring that subrecipients, contractors and lessees that operate services to which the half fare requirement applies comply with half fare requirements. The oversight program should ensure that a half fare is offered for applicable services during off peak hours, the definition of off peak hours is reasonable, identification requirements ensure that eligible persons can obtain the half fare, and internal and external fare information show the half fare and eligibility, including Medicare cardholder eligibility.

## REFERENCE

[49 USC Ch. 53](#), Section 5307(d)(1)(D)  
[49 CFR 609.23](#)  
[FTA C 9030.1C](#), Ch. V, Sections 5.f and 5.g

## SOURCES OF INFORMATION

The grantee's monitoring tools and the oversight files for subrecipients, contractors and lessees will be reviewed. During site visits, the reviewer will discuss the half fare program with the entity and review fare information on buses, in employee training information, in brochures and other printed information, and on the entity's website.

## DETERMINATION

If the grantee's procedures are inadequate to ensure that subrecipients, contractors and lessees comply with half fare requirements, it is deficient.

## SUGGESTED CORRECTIVE ACTION

The grantee will be directed to develop oversight procedures that ensure that subrecipients, contractor and lessees comply with half fare requirements.